

REMARKS

This reply is responsive to the Office communication mailed January 26, 2001 ("Final Notice") by the Patent and Trademark Office ("PTO"). The Final Notice states that applicants' July 11, 2000 Request for Reconsideration ("July '00 Request") was not fully responsive to the PTO Office communication mailed June 8, 2000 ("First Notice"). The Final Notice further states that the instant application will be deemed abandoned if applicants do not sufficiently answer within one month the 35 U.S.C. § 112, first paragraph rejections raised by the Examiner in a Final Office Action dated September 29, 1998 ("September '98 Office Action").

In response, applicants have amended the claims to more clearly conform the claims to the specification and correct typographical errors and informalities. Applicants respectfully traverse the Examiner's assertion that the July '00 Request was not fully responsive. However, in order to expedite the prosecution of this application, applicants submit herewith as Appendix A, a chart that provides detailed specification support citations to applicants' 1981 and 1987 specifications for each claim element. This chart plainly establishes that (i) applicants were in possession of the claimed invention at the time that the 1981 and 1987 applications were filed, and (ii) continuity under 35 U.S.C. § 120 was properly established and maintained from the filing of the 1981 application, through the filing of the 1987 application, and through the filing of the present application. Accordingly, applicants respectfully submit that this application is in condition for allowance in view of the information provided herewith, and applicants' remarks set forth in the March 29, 1999 Amendment and Request for Reconsideration ("March '99 Amendment").



## **I. THE REJECTION UNDER 35 U.S.C. § 112, FIRST PARAGRAPH**

The September '98 Office Action included a rejection of claims 2-11 and 14-22 under the written description requirement of § 112, first paragraph. The Examiner asserted in the September '98 Office Action that the claims contain "subject matter which was not described in the specification in such a way as to reasonably convey to one skilled in the relevant art that the inventor(s), *at the time the application was filed, had possession* of the claimed invention." (emphasis added.). The Examiner included a specific list of claim limitations deemed not to be "supported by the specification *as originally filed.*"<sup>1</sup> (emphasis added). Significantly, the Examiner did not reject or even question applicants' claim of priority to the 1981 application.

### **1. Possession of the claimed invention in 1981**

Based on the rejection made by the Examiner in the September '98 Office Action, applicants submit they were required to show that they had possession of the claimed invention in 1981. In *Vas-Cath Inc. v. Mahurkar*, 935 F.2d 1555, 19 USPQ2d 1111 (Fed. Cir. 1991), the court of appeals reaffirmed:

...that 35 U.S.C. 112, first paragraph, requires a "written description of the invention" which is separate and distinct from the enablement requirement. The purpose of the "written description" requirement is broader than to merely explain how to "make and use"; the applicant must also convey with reasonable clarity to those skilled in the art that, *as of the filing date sought*, he or she was in possession of the invention.

*Vas-Cath Inc.* at 1563 (emphasis added). The instant application properly claims priority under 35 U.S.C. § 120 to the filing date of the 1981 application. Applicants made their claim of

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<sup>1</sup> September '98 Office Action at 10.



priority on the record well before the September '98 Office Action.<sup>2</sup> Each claim in the instant application thus has an effective filing date of November 3, 1981 and the specification "as originally filed" is the specification filed with the 1981 application. The *Vas-Cath Inc.* ruling requires that applicants show possession by referring to the 1981 specification. The March '99 Amendment includes, in section II.C, a 15 page reply to the §112 "possession" rejections. The response distinctly and specifically demonstrates that the *originally filed* specification describes the claim limitations and that applicants were in possession of the claimed inventions when the 1981 application was filed. The response includes detailed and specific references to the parent Patent No. 4,694,490 indicating where each claim limitation is described.

## **2. § 120 continuity objections**

The Examiner's comments suggest that he has taken issue with applicants' claim of priority to the 1981 application. Applicants first wish to note that no rejection or objection was made in the September '98 Office Action with respect to applicants' claim of priority to the 1981 application. However, to the extent the Examiner now has any concerns regarding continuity, applicants respectfully submit that those concerns are addressed by the attached Appendix A, which demonstrates that both the 1981 and 1987 specifications fully support the subject matter claimed in the present application, and that applicants were in possession of that subject matter at the time the 1981 and 1987 applications were filed. Appendix B provides further evidence of continuity by demonstrating where each phrase of the 1981 specification is included in the written description of the 1987 specification. Because it has now been shown that applicants were in possession of the claimed invention in 1981 and 1987, and that continuity was properly

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<sup>2</sup> See, e.g. p. 17, Response and Amendment Under 37 C.F.R. § 1.111, filed July 3, 1997.



established and maintained, applicants respectfully request that the rejection under 35 U.S.C. § 112 be withdrawn.

There is no requirement in either 35 U.S.C. §§ 112 or 120 that a parent application be incorporated into a subsequent application claiming priority therefrom either by reference or by verbatim repetition. “In order to determine whether a prior application meets the ‘written description’ requirement with respect to later-filed claims, the prior application need not describe the claimed subject matter in exactly the same terms as used in the claims; it must simply indicate to persons skilled in the art that as of the earlier date the applicant had invented what is now claimed.” *Eiselstein v. Frank*, 52 F.3d 1035, 34 U.S.P.Q.2d 1467, 1470 (Fed. Cir. 1995)(citation omitted)(quoting *Vas-Cath v. Mahurkar*, 935 F.2d 1555, 1561, 19 U.S.P.Q.2d 1111, 1116 (Fed. Cir. 1991)). “[I]psis verbis disclosure is not necessary to satisfy the written description requirement of section 112. Instead, the disclosure need only reasonably convey to persons skilled in the art that the inventor has possession of the subject matter in question.” *Fujikawa v. Wattonasin*, 39 U.S.P.Q.2d 1895, 1904 (Fed. Cir. 1996)(quoting *In re Edwards*, 568 F.2d 1349, 1351-52, 196 U.S.P.Q. 465, 467 (C.C.P.A. 1978)). Applicants respectfully submit that Appendices A and B submitted herewith demonstrate that applicants have complied with these requirements.

**3. The July 11, 2000 Request for Reconsideration was proper**

Although applicants firmly believe that Appendix A resolves all of the § 112 issues raised in this application, applicants wish to clarify for the record the confusion surrounding applicants’ July 11, 2000 Request for Reconsideration (“July ‘00 Request”). The July ‘00 Request was responsive to the June 8, 2000, Office Communication (“First Notice”) in which the Examiner



stated that applicants did not overcome the § 112 challenges raised in the September '98 Office Action. Applicants wish to note, however, that it was unclear from the brief First Notice as to whether applicants were entitled to reply. Indeed, in the First Notice, the Examiner cites language emphasizing that "[i]n no case may an applicant reply outside of the SIX (6) MONTH statutory period or obtain an extension for more than FIVE (5) MONTHS beyond the date for the reply set forth in an Office Action."<sup>3</sup> (emphasis original). The time period for reply expired 14 months prior to the First Notice. No extension was granted in the Notice. Accordingly, the Examiner's statement that "[a] fully responsive reply must be timely filed to avoid abandonment of [the instant] application" appeared to preclude the correction of the alleged deficiency. Applicants, therefore, replied in the form of a Request for Reconsideration to explain why the March '99 Amendment was fully responsive. Applicants' June Request fully addressed the issues raised in the one page First Notice. Applicants were of the view that the June Request would advance the prosecution of this application by eliciting an allowance or an Office Action on the merits to which applicants would be afforded an opportunity to respond.

## **II. APPLICANTS HAVE DILIGENTLY AND VIGOROUSLY PROSECUTED THEIR APPLICATIONS**

In addition to the issues relating to the rejection of the present application under § 112, and the § 120 concerns raised in the Final Notice, the Examiner describes several situations in which he believes that applicants have acted improperly. The Examiner has asserted that applicants have unreasonably and prejudicially delayed the prosecution of the instant and related

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<sup>3</sup> First Notice.



applications. The Examiner appears to suggest that this behavior constitutes grounds for the denial of patents on the basis of laches.

Applicants respectfully submit that the foregoing discussion and the accompanying Appendices A and B fully and completely address the outstanding rejection under 35 U.S.C. § 112 in this application, as well as the Examiner's concerns relating to continuity. Nevertheless, applicants are concerned about the nature of the Examiner's comments on the additional matters and provide the following brief remarks to clarify the record. Applicants reserve the right to further respond to the Examiner's concerns if the circumstances warrant it, including, for example, if formal rejections are issued based on any of those concerns.

**1. Alleged unreasonable delay**

The Examiner expressed the view that applicants have unreasonably delayed the prosecution of their applications, and implied that applicants had sinister motives for doing so. Applicants strenuously object to this assertion. Applicants have been and continue to be of the view that their interests, and the public's interests, are best served by a thorough but expeditious examination process. The record demonstrates that applicants have vigorously prosecuted their applications, and have gone to great lengths to cooperate with the PTO to streamline the examination process. For example, applicants fully cooperated with the PTO in developing and implementing a consolidation strategy, through which applicants' 329 pending applications were reduced to 79 applications organized into 56 subject matter-based groupings.<sup>4</sup> Applicants have responded in detail to hundreds of Office Actions issued since June 1995, and in all respects,

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<sup>4</sup> This process cost applicants over \$500,000 in new filing and other PTO fees, and over \$1 million in attorneys fees.



vigorously pursued and urged allowance of the corresponding applications. Applicants' replies have included, when requested, detailed specification support citations (including to the 1987 specification), and a correlation of every phrase in the 1981 specification to the 1987 specification. A table listing 22 cases in which such specification support and correlations were filed is attached as Appendix C. Applicants note that initially, these efforts proved fruitful, in that nine applications were allowed and another sixteen were indicated to be allowable after thorough examinations. Several other applications were indicated to include allowable claims. As the Examiner is aware, all of these allowances appear to have been withdrawn. But significantly, applicants urged that the allowed cases should be permitted to issue on the merits. This conduct, and efforts described above, are plainly not consistent with the notion that applicants have engaged in activities intended to delay prosecution of their applications.

**2. The laches "rejection" is improper**

Applicants dispute that there is any basis in law or fact for applying the doctrine of laches to deny the issuance of patents with respect to the 79 co-pending applications. As discussed above, applicants have diligently and vigorously prosecuted all of applicants' related applications. Applicants have not acted to delay the issuance of any patent from this application or any of applicants' related applications. No factual basis exists for applying an equitable theory to reject applicants' claims.

Furthermore, the PTO does not have the legal authority to reject claims on the basis of laches. The Patent Act of 1952 expressly permits applicants to claim the benefit of the filing date of an earlier filed application. No restrictions are placed on the time period in which applicants may bring claims that are supported by an earlier filed application. To the best of applicants'



knowledge, no court has denied enforcement of any patent claim on the basis of prosecution history laches since the enactment of the 1952 Act. Moreover, neither applicants nor the Examiner can cite a single instance in which prosecution laches has been applied by the PTO to deny the issuance of a patent.

The only authority that the Examiner cites to suggest that the PTO can exercise the doctrine of laches is a decision by the Board of Patent Appeals and Interferences ("BPAI") in which laches was not applied. In *Ex parte Hull*, the BPAI asserted that it had the power to apply laches on the basis that it was unaware of any statute or case law "which would prohibit the Patent and Trademark Office from invoking an equitable doctrine in refusing to take some action such as the issuance of a patent."<sup>5</sup> Applicants submit that the fact that a federal agency is not aware of any statute or case law which would preclude it from taking some action is not sufficient to establish that the agency in fact has the authority to take such action. The PTO is a creation of statute. As such, it can act only within the bounds of the statute by which it is created. By the admission of the BPAI, it cannot find any statutory or judicial authority granting the PTO the authority to apply the doctrine of laches to reject a claim. Applicants are unaware of any statutory or case law created in the 25 years following the BPAI's decision in *Ex parte Hull* which would give the PTO the power to apply the equitable doctrine of laches to deny the issuance of a patent.

Assuming arguendo that the BPAI was correct, the PTO still could not apply laches to reject applicants' claims. In *Ex parte Hull*, the BPAI was addressing a situation where an Examiner was seeking to reject on the basis of laches, the sixth application filed in a series of

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<sup>5</sup> *Ex parte Hull*, 191 U.S.P.Q. 157, 159 (P.T.O.B.A. 1975).



continuation applications. In each of the first five applications, Hull had filed a continuation-in-part application after the mailing of a notice of allowance in its parent application and just prior to the date upon which the issue fee for its parent was due.<sup>6</sup> Hull then abandoned each of the parent applications.<sup>7</sup> Hull admittedly pursued the course of conduct in order to “avoid the divulgence of his basic invention”.<sup>8</sup> The BPAI ruled that laches could not be applied without prior notice. Applicants submit that the fact pattern in the present and co-pending applications is clearly distinct. Applicants are not trying to “hide the ball” (their disclosures were published years ago). And as the facts discussed herein show, applicants have strenuously argued to obtain allowance of their applications.

### **3. ITC investigation and judicial notice**

The Examiner states that an administrative law judge’s findings in an ITC investigation put applicants on notice that they were required to refer to the ’87 specification when responding to the September ’98 Office Action. Applicants respectfully submit that Judge Luckern’s findings in the ITC investigation addressed enablement rather than possession issues and therefore inapplicable and did not put applicants on judicial notice to use the ’87 specification. In considering the enforceability of applicants’ U.S. Patent No. 5,335,277 (“ ’277”), Judge Luckern ruled that the ’277 patent must be enabled by the written description contained in the ’277 patent rather than the ’81 specification.<sup>9</sup> Enablement can be established only within the

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<sup>6</sup> *Id.*

<sup>7</sup> *Id.*

<sup>8</sup> *Id.* at 159-160.

<sup>9</sup> See p. 152 of the “Initial Recommended Determinations”, Certain Digital Satellite System (DSS) Receivers and Components Thereof, USITC, Inv. No. 337-TA-392, (October 27, 1997).



four corners of an application's specification. Thus, one must determine enablement from the specification contained in the application itself. Sections 112 and 120, on the other hand, require that one look at the parent application's specification when determining whether a continuation application can properly claim priority to the parent application's filing date.<sup>10</sup>

The § 112 rejection raised in the September '98 Office Action specifically requested support to the specification "as originally filed". No rejection based on enablement was made. Judge Luckern did not hold that the '87 specification contained in application Serial No. 096,096 filed on September 11, 1987 was the "originally filed description". He ruled only that the '277 patent must be enabled by the written specification contained in the '277 patent which was issued on application Serial No. 56,501, filed on May 3, 1993 (i.e., 6 years after the 1987 application).<sup>11</sup> Thus, even if § 112 enablement had been raised as an issue in the September '98 Office Action, the Judge's ruling would not have required applicants to refer to the '87 specification.

It is also important to note that Judge Luckern never challenged applicants' claim of priority to the 1981 parent application. Continuity was not an issue. The Judge specifically found that the 1981 application was the "parent application for each of the '490 patent, the '725 patent, the '825 patent, the '414 patent, the '654 patent and the '277 patent."<sup>12</sup> Accordingly, the ITC findings actually served as confirmation that applicants were required to refer to the '81 specification in addressing the § 112 possession rejection.

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<sup>10</sup> See, e.g. *Vas-Cath, Inc. v. Mahurkar*, 935 F.2d 1555 at 1563.

<sup>11</sup> See Initial Recommended Determinations, *supra* Note 9 at 152.

<sup>12</sup> *Id.* at 251.



The Examiner further alleges that Judge Luckern reprimanded applicants' counsel for practicing deception by referring to the '81 specification and that applicants' counsel, Thomas J. Scott, Jr. apologized for the deception. The Examiner did not specifically identify where in Judge Luckern's Initial Investigative Report this reprimand and apology appear. After a thorough review of the entire ITC decision, no such reprimand or apology has been found.

**4. Information Disclosure Statements**

The Examiner expressed concern about the number of references cited by applicants in information disclosure statements. As discussed by applicants in prior submissions to the PTO, the reason for the large number of cited references is that applicants have submitted all of the references that were produced to applicants in connection with prior litigation involving patents in the same family. Applicants were (and still are) of the view that applicants' duty under 37 C.F.R. § 1.56 compelled such disclosure. Applicants regret that several administrative inadvertencies were made in the course of preparing the submissions for such a large number of references. However, applicants note that these errors were promptly corrected once the errors were brought to their attention.

**5. Alleged misrepresentation of § 120 requirements**

Applicants agree with the Examiner that § 120 requires applicants to maintain continuity through each of the applications included in the chain of priority. After a review of the record, it is not clear why Examiner believes that applicants might think otherwise. Section 120 continuity rejections/objections were not raised in the September '98 Office Action. Now that applicants are being afforded the opportunity to discuss the continuity issue, applicants have responded in detail.



The Examiner alleges that applicants' counsel, Mr. Scott, attempted to deceive the Examiner and the Board of Patent Appeals and Interferences by misstating the law in the prosecution of application Serial No. 08/113,329 (" '329"). In particular, the Examiner claims that Mr. Scott rendered the citation deceptive by including the parenthetical phrase "(i.e. it relies upon and is supported by the parent application's specification)" relating to "(2) continuity of disclosure". Applicants submit that the recitation is a correct reading of the law and deny that Mr. Scott attempted to mislead anyone. The meaning of the word "it" is readily discernable when one considers the wording of the other parenthetical phrases. Parenthetical phrases 1, 3 and 4 quoted by the Examiner all refer to the "subsequent" or "continuation" application. The word "it" in the parenthetical for (2) can similarly be inferred to mean the "subsequent" or "continuation" application.

Applicants wish to note again that the PTO did not challenge applicants' claim of priority to the '81 application in the September '98 Office Action. Therefore, applicants were under no obligation to affirmatively demonstrate continuity by establishing support in both the '81 and '87 specifications. Now that the issue has been raised, applicants have responded completely and promptly. There has been no delay caused by applicants.



**6. Preliminary amendments**

The Examiner alleges that applicants caused unreasonable delay by filing preliminary amendments as late as April 23, 1996. Applicants first note that the preliminary amendments were timely filed. Moreover, the record shows that the filing of the amendments did not cause delay. In the January 8, 1997 Office Action, Examiner Faile stated that the PTO informed applicants during an August 13, 1995 interview that “[n]o examination was planned until at least late October.”<sup>13</sup> Examiner Faile further stated that applicants informed the PTO that they were preparing preliminary amendments, but that the PTO cautioned that “the prosecution of the applications [would] not be delayed.”<sup>14</sup> Thus, applicants were put on notice that examinations would proceed whether or not the preliminary amendments were filed. Nowhere in the description of the filings and interviews that occurred in 1995 and 1996 does Examiner Faile state or even suggest that applicants created any delay by filing preliminary amendments or otherwise.

The Examiner also asserts that applicants caused unreasonable delay when counsel Woolston allegedly requested a delay in prosecution of one of the co-pending cases (application 08/448,116, “ ’116”) as late as Jun 12, 1996. Applicants respectfully disagree with the Examiner’s characterization of the facts and submit that neither counsel Woolston, nor any one else requested a delay of prosecution on applicants’ behalf. The April ‘97 Office Action cited by the Examiner strongly supports applicants’ position.<sup>15</sup> Mr. Woolston’s statement that

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<sup>13</sup> January ‘97 Office Action, p. 24.

<sup>14</sup> *Id.* at 25.

<sup>15</sup> Final Notice Appendix, p. 430 (March 24, 1997 Office Action filed in application Serial No. 08/459,216, p. 39).



supplemental amendments would be filed cannot be interpreted to mean that he requested a suspension in prosecution of the '116 application. As described in the April '97 Office Action, the PTO informed applicants' that the "... prosecution of the applications will not be delayed" while the applicants prepare and file supplementary amendments.<sup>16</sup>

**7. Applicants in good faith disputed the teachings of Campbell**

Applicants wish to make the following remarks in order to clarify their position on the events surrounding the withdrawal of applicants' applications from issue. The PTO allowed 6 of applicants' related applications for issuance before the consolidation effort began in the spring of 1999. Applicants timely paid the issue fees. One application issued as a patent. After applicants began the consolidation effort, the PTO changed its position and announced that it intended to withdraw the remaining 5 applications. The PTO wanted to require applicants to consolidate the claims from the allowed applications into the 79 consolidated cases. Applicants, desiring to move the examination process along, vigorously protested the PTO's planned course of action, arguing that the applications were allowable on the merits. The PTO based its desire to withdraw the applications on the assertion that one or more claims are unpatentable.

Numerous interviews were conducted during the spring and summer of 1999. The teachings of U.S. Patent No. 4,536,791 issued to Campbell et al. (Campbell) were thoroughly discussed. Applicants were (and are) of the view that Campbell does not anticipate the claimed subject matter of application Serial No. 08/484,858 (the '858 application). Campbell was cited both by applicants in their Information Disclosure Statements and by the Examiner in the Notice of References cited in the '858 application. An interview to specifically address the potential

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<sup>16</sup> *Id.* at p. 426 (March 24, 1997 Office Action filed in application Serial No. 08/459,216, p. 35).



withdrawal of the remaining allowed applications was held on July 15, 1999.<sup>17</sup> At the interview, the Examiner argued that claim 9 of the '858 application was anticipated under 35 U.S.C. § 102 by Campbell. Applicants disagreed. Applicants asserted at the interview and continue to assert that the PTO has failed to demonstrate that Campbell teaches the *claimed subject matter* of any of the applications on which the issue fee was paid. At the interview, applicants agreed to provide a supplemental response addressing the concerns raised orally by the Examiner. Applicants demonstrated the distinctions between Campbell and the claimed subject matter of the '858 application in the paper filed August 5, 1999 entitled "Request to Enter Amendment After Notice of Allowance and After Payment of Issue Fee Under 37 C.F.R. § 1.312(A)". The '858 application was withdrawn from issue on November 4, 1999, but no specific basis for the withdrawal has ever been provided.

**8. Applicants' claims are adequately disclosed**

The Examiner states that applicants argue that a series of "distributed cuing signals represented a series of instructions for controlling a programmable processor and therefor represented computer software 'programming'". The Examiner rejects the argument and uses it as an example of how applicants allegedly attempt to give a new and different meaning to terminology in the '81 and '87 specifications so as to "claim patent coverage over the downloading of 'computer software/programming'" which he states was not disclosed in the originally filed disclosure. Applicants respectfully submit that they have attempted to claim only subject matter disclosed in applicants' specifications. Applicants welcome the opportunity to

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<sup>17</sup> Although the Notice places the interview on July 16<sup>th</sup>, applicants records indicate the interview was held July 15<sup>th</sup>.



address specific objections that the Examiner may have with respect to the subject matter claimed in any of applicants' related applications.

**9. Applicants have satisfied their duty of disclosure**

Applicants respectfully submit that they have fully complied their duty under 37 C.F.R. § 1.56, and the guidelines set forth in M.P.E.P. § 2001.06(b). In 1995, applicants identified all their pending applications. Applicants informed the PTO that these applications are related and have similar disclosures. Applicants provided the PTO with lists that grouped applications by similar claimed subject matter. Applicants have continued to cooperate with the PTO to ensure similar subject matter is examined in a similar manner. For example, applicants agreed to consolidate claims in the subject matter groups into one or two applications which ensures that related claims are examined together. Applicants are not aware of different cases that contain substantially duplicate claims, or of any instances in which the PTO has treated substantially duplicate claims inconsistently.

Applicants note that to reduce the amount of paper passed between applicants and the PTO, the PTO and applicants agreed that prior art cited by either party needed to be submitted only once, and that the art would nevertheless be made of record in all of applicants' related cases.<sup>18</sup>

Contrary to the Examiner's assertions, applicants have not submitted the same claim or broader versions of the same claim in separate application and then failed to notify the PTO of prior art rejections that are made in one of the applications but not the others. Indeed, the

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<sup>18</sup> See Office Action mailed January 8, 1997, p. 24. See also Final Notice Appendix at 426.



example cited on page 21 of the Final Notice demonstrates that the claims of applicants' related applications are quite different. The chart below highlights the differences.<sup>19</sup>

Claim 15 of App. Ser. No. 08/459,218 as amended August 4, 1997	Claim 19 of App. Ser. No. 487,408 as amended August 1, 1997
<p>A method of controlling a remote intermediate <b>data</b> transmitter station</p> <p>to communicate <b>data</b></p> <p>to one or more receiver stations,</p> <p>with said remote intermediate transmitter station including</p> <p>a broadcast or cablecast transmitter for transmitting <b>one or more signals which are effective at a receiver station to instruct a computer or processor,</b></p> <p>a plurality of selective transfer devices each operatively connected to said broadcast or cablecast transmitter for communicating <b>data,</b></p> <p>a <b>data</b> receiver for receiving <b>transmissions</b> from an origination station transmitter,</p> <p>a control signal detector,</p> <p>and a controller or computer capable of controlling one or more of said selective transfer devices,</p> <p>and with said remote intermediate transmitter</p>	<p>A method of controlling a remote intermediate <b>mass medium programming</b> transmitter station</p> <p>to communicate <b>mass medium programming</b></p> <p>to at least one receiver station,</p> <p>said remote intermediate mass medium programming transmitter station including</p> <p>one of a broadcast transmitter and a cablecast transmitter for transmitting <b>said mass medium programming,</b></p> <p>a plurality of selective transfer devices each operatively connected to said one of said broadcast transmitter and said cablecast transmitter for communicating <b>said mass medium programming,</b></p> <p>a <b>mass medium programming</b> receiver for receiving <b>said mass medium programming</b> from at least one origination transmitter station,</p> <p>a control signal detector,</p> <p>and one of a controller and a computer capable of controlling at least one of said plurality of selective transfer devices,</p> <p>said remote intermediate mass medium</p>

<sup>19</sup> Prosecution of application Serial No. 08/459,218 (the " '218 application) is held in abeyance per the consolidation agreement. Accordingly claim 15 has been cancelled from the '218 application and has been added to application Serial No. 08/487,851 as claim 74. Claim 15 was rejected on February 3, 1997, not February 23. The Final Notice refers to claim 18 of application Serial No. 08/487,408, but after reviewing the cited applications applicants believe that the Examiner meant to cite to claim 19.



<p>station adapted to detect the presence of one or more control signals,</p> <p>to control the communication of <b>specific instruct signals in response to detected specific control signals</b>,</p> <p>and to deliver to its broadcast or cablecast transmitter <b>one or more instruct signals</b>,</p> <p>said method comprising the steps of:</p> <p>(1) receiving <b>one or more first instruct signals to be transmitted by the remote intermediate data transmitter station and</b></p> <p>delivering <b>said one or more first instruct signals</b> to said origination station transmitter, <i>said one or more first instruct signals being effective at a receiver station to process a reaction of a subscriber and deliver a second instruct signal or perform a function based on a specific subscriber input;</i></p> <p>(2) receiving one or more control signals which at the remote intermediate data transmitter station operate to control the communication of <b>said one or more first instruct signals</b>; and</p> <p>(3) transmitting said one or more control signals to said origination station transmitter before a specific time.</p>	<p>programming transmitter station adapted to detect the presence of at least one control signal,</p> <p>to control the communication of <b>said mass medium programming in response to said at least one control signal</b>,</p> <p>and to deliver at said one of said broadcast transmitter and said cablecast transmitter <b>said mass medium programming</b>,</p> <p>said method comprising the steps of:</p> <p>(1) receiving <b>said mass medium programming at said at least one origination transmitter station;</b></p> <p>(2) delivering <b>said mass medium programming</b> to at least one origination transmitter, <i>said mass medium programming having an instruct signal that instructs said at least one receiver station to process one of a plurality of signal types and to deliver at least a portion of a multiple media programming presentation;</i></p> <p>(3) receiving said at least one control signal, said at least one control signal controls, at the remote intermediate mass medium programming transmitter station, the communication of <b>said mass medium programming</b>; and</p> <p>(4) transmitting said at least one control signal to said one of a broadcast transmitter and said cablecast transmitter before a specific time.</p>
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These two claims are not the same. In addition to the significant differences cited by the Examiner, claim 15 is directed to a system that responds to a subscriber reaction, while claim 19 is directed to a system that delivers a multiple media presentation. Not surprisingly, different art



was cited against these different claims. Specifically, claim 15 was rejected as being anticipated by U.S. Patent No. 4,251,691 issued to Kakiyara et al. ("Kakiyara"). Kakiyara was cited by the Examiner to applicants in application Serial No. 08/487,408. See Notice of References Cited at 4 (attached to Office Action mailed Feb. 4, 1997). Art other than Kakiyara was applied against claim 19. Significantly, all of the references cited against claim 15 were of record in the examination of claim 19, and vice versa. Applicants thus had no reason to believe that the Examiner did not properly consider Kakiyara during the examination of claim 19. Applicants have caused no delay and have complied with M.P.E.P. §§ 2001.06(b), 2004 ¶ 9.

As another example of applicants' alleged impropriety, the Examiner cites to applicants' alleged failure to inform the Examiner of application Serial No. 08/441,577 (" '577") that the Examiner of application Serial No. 08/446,431 (" '431") had previously rejected applicants' argument and that applicants' had amended the claims of the '431 application to avoid Campbell.<sup>20</sup> Applicants strongly disagree with the Examiner's characterization of the facts. Applicants did not amend the '431 application to avoid Campbell. In fact, applicants have steadfastly maintained throughout all of their dealings with the PTO that Campbell does not teach "simultaneous or sequential presentation," a key limitation of the '431 application claims at issue. Thus applicants have not, as the Examiner seems to suggest, taken inconsistent positions with respect to the teachings of Campbell. Therefore, applicants have caused no delay and have complied with M.P.E.P. §§ 2001.06(b), 2004 ¶ .

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<sup>20</sup> *Id.*



**10. Delayed consolidation**

The Examiner states that applicants caused prejudicial delay by failing to consolidate in a timely fashion the 328 related applications into 79 applications. Applicants and the PTO agreed that each of the 79 consolidated cases would be reviewed on its merits, and an Office Action would be issued within 6 weeks after applicants completed the consolidation of that case.<sup>21</sup> According to the agreed upon process, applicants and the PTO would meet to discuss the claims to be consolidated into an application on day 1.<sup>22</sup> After a series of interviews, applicants would then consolidate the claims and file the required amendments to the affected applications by day 29. The PTO would issue an Office Action on the consolidated application by day 36.<sup>23</sup> The PTO and applicants agreed that it was not necessary to delay the review of a completed application until all 79 cases were fully consolidated.

The PTO was aware that 14 cases would not be amended during the consolidation process and could be reviewed immediately. Applicants began delivering the consolidation amendments to the PTO on March 4, 1999. Shortly thereafter, the PTO refused to meet with applicants to continue the consolidation process. Nevertheless, applicants continued with their efforts and by June of that year had consolidated 23 of the 79 cases. Thus, a total of 37 cases were ready for review on the merits by June of 1999. Applicants finished the process for the remaining 42 cases by June 28, 2000.<sup>24</sup> Each of the 79 active applications cases is ripe for review on the merits.

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<sup>21</sup> A diagram showing the consolidation process is attached as Appendix D.

<sup>22</sup> See, e.g. Appendix D.

<sup>23</sup> *Id.*

<sup>24</sup> Applicants concede that a transfer of the cases from the law firm of Howrey & Simon to Hunton & Williams caused a slight delay in the delivery of the final round of consolidation amendments to the PTO. Applicants note,



The Examiner now contends that applicants' caused unreasonable delay by failing to complete the consolidation of all 79 cases within a year. Applicants submit that they completed the consolidation in a timely manner and that the record establishes that they are not responsible for delay. The PTO previously agreed that multiple teams of examiners would examine the 79 applications. However, it now appears that a single Examiner is now responsible for examining all of the co-pending cases. Applicants respectfully submit that the present arrangement is not designed to efficiently move the examination of the applications forward.

**11. Delay attributable to PTO**

Applicants wish to note for the record that it is their view that any delays in the prosecution of applicants' related applications are attributable to various actions taken and decisions made by the PTO. Several of these actions and decisions are set forth in detail in applicants' March 7, 2000 Petition to the Commissioner Under 37 C.F.R. § 1.181 in application Serial No. 08/470,571. The record establishes that the PTO is not giving the 79 co-pending applications, which were filed in 1995, the accelerated treatment accorded "special cases" as required by the Manual of Patent Examining Procedure (M.P.E.P.) § 708.01(i). Specific examples of delay that applicants believe are attributable to the PTO include:

- In the initial Office Action filed in the co-pending applications, the PTO stated that no examination of the 328 applications was planned until at least late October, 1995 due to PTO administrative issues. The first Office Action actually was not issued until well into 1996;

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however, that the delivery of the final amendments apparently did not cause any delay in the overall process as the PTO waited until April of 2000 to issue the first action on the merits of any of the 37 applications consolidated by June 1999.



- The PTO also issued in 1997 and 1998 notices of 6 month suspensions of examination in at least 212 of the 328 original applications;<sup>25</sup>
- The massive restructuring of the PTO that occurred during 1997 and 1998 contributed significantly to the delay of examination on the 328 applications during this time period;<sup>26</sup>
- The last action issued in 49 of the 79 co-pending applications pre-dates the consolidation process which began in March of 1999;
- Notices of non-responsiveness but no action on the merits issued in another 8 of the 79 applications;
- The PTO addressed the merits on the remaining 22 of 79 applications through nearly identical Office Actions;
- In those 22 applications, the Examiner rejected every claim under 32 U.S.C. §112, first paragraph, and requested that applicants establish support for literally every single word of nearly every claim, including the words “one”, “of”, and “and”.<sup>27</sup>
- Within 24 hours of the filing of applicants’ responses to the § 112 rejections, the Examiner issued a three page Office communication (“ ‘571 Communication”) in application 08/470,571 (“ ‘571”) notifying applicants that the June 7, 2000 response was not fully responsive.
- Applicants responded to the ‘571 Communication on July 7, 2000 explaining why the Examiner was incorrect. The Examiner has not taken any further action in the ‘571 case or the remaining 21 cases subject to the § 112 rejections.
- On November 4, 1999, the PTO issued a letter withdrawing from issuance four previously allowed applications for which the issuance fee had been paid. The withdrawal letter contained only a statement that the applications were being withdrawn for containing one or more unpatentable claims. The PTO has yet to state which claims in the applications were objectionable or to provide grounds to support its determination.
- During the consolidation process, numerous applications in which allowable subject matter had been noted or that had been indicated as allowable were consolidated to be evaluated and issued within the context of the consolidated subject matter groupings. The PTO now seeks to dispense with some of the

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<sup>25</sup> See, e.g. the Notice of Suspension of Examination attached as Appendix E as an example. See also Appendix F for a list of applications in which Suspensions of Examination were filed.

<sup>26</sup> See, e.g. the Office Communication informing applicants of the move of the examiner and the application file attached as Appendix G.

<sup>27</sup> See, e.g., Office action dated 4/10/00 in application 08/449,523, p. 9 (claim 3).



previously allowable subject matter by deeming the underlying consolidated applications to be abandoned.<sup>28</sup>

- In addition to maintaining 79 active applications (“A cases”), the PTO and applicants agreed that another 79 applications would remain pending (“B cases”) with further examination to be held in abeyance until a final review on the merits was completed on the A cases. The Examiner has filed notices of abandonment in 24 of the B cases.

Due to the delays cited above, applicants felt compelled to file their 37 C.F.R. § 1.181 petition to seek the Commissioner’s assistance in setting a schedule for examination. The aggressive schedule proposed by applicants confirms their desire to obtain patents on the claimed subject matter as quickly as possible. Applicants are eager to work with the PTO to expeditiously examine the related applications.

#### **12. Too many claims**

The Examiner asserts that applicants have delayed prosecution of the instant application by filing too many claims and that applicants have shown bad faith by failing to maintain a line of patentable demarcation between related patents. Applicants respectfully disagree. Applicants have varied the scope and subject matter of their claims to ensure that the claims and applications are not duplicative. Applicants have neither acted improperly nor caused unreasonable delay by filing the claims contained in the instant and co-pending applications.

### **III. LICENSING AND LITIGATION**

Some of the statements in the Final Notice suggest that the Examiner believes that applicants have acted improperly by licensing their patented technology, as opposed to developing it themselves. Applicants respectfully submit that licensing is a legitimate, proper

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<sup>28</sup> See, e.g., applications 08/437,864, 08/488,378, 08/498,002 and 08/511,491.



and desirable way for patent owners to make patented technology available to the public. Significantly, applicants' current licenses include leaders in the television services industry, such as Starsight Telecast, Inc.; TVG-PMC, Inc.; The Weather Channel, Landmark Communication, Inc., Sony Corporation; and Pegasus Communications.<sup>29</sup> All of these licenses were granted in exchange for substantial payments.

The Examiner also seems to suggest that applicants have misused the judicial process in enforcing their patents. This suggestion is wholly unsupportable. All of applicants' licensees except one were consummated without any judicial involvement. Although litigation was commenced against Landmark Communications and The Weather Channel, that matter settled before trial by a grant of a license for a substantial payment. The only litigation currently being pursued is pending in the United States District Court for the District of Delaware against certain manufacturers and providers of direct broadcast satellite systems and services. This litigation is being pursued in conjunction with applicants' exclusive licensee, Pegasus Communications. Thus, applicants' use of the court system to enforce its patent rights has been very limited and entirely proper.

The Examiner also expressed the concern that applicants are acting improperly by prosecuting a large number of applications that could impact competitors in the market place. As the Examiner is well aware, patents, by design, bestow temporary exclusive rights with respect to the subject matter claimed. The fact that third parties are likely to infringe a patent is neither evidence of improper conduct nor proper grounds for refusing to issue a patent. And as

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<sup>29</sup> The parent corporations of StarSight Telecast, Inc. (Gemstar International Group, Ltd.) and TVG-PMC, Inc. (TV Guide, Inc.) recently merged to form Gemstar-TV Guide International, Inc. The Weather Channel is a subsidiary of Landmark Communications, Inc.



discussed above, applicants have not submitted applications to overwhelm the PTO or the public. The applications were submitted solely for the purpose of properly protecting the many inventions disclosed in applicants' 1981 and 1987 specifications.

#### **IV. SMALL ENTITY STATUS**

The Examiner pointed out that applicants have paid PTO fees as a small entity in some cases, and as other than a small entity in others. Applicants respectfully submit that this approach was not in any way improper, and indeed, all PTO fees have been paid in good faith. Specifically, in connection with making the determination of whether PMC was entitled to small entity status with respect to each application, a review was undertaken to determine if that application was subject to licenses granted by PMC. Small entity status was not claimed unless it was determined that the particular application was not subject to the license. However, applicants note that they recently paid the difference between the small entity and other than small entity fees for all of their related applications, including those that were abandoned in the consolidation process, in order to avoid any further confusion on this point. Accordingly, the issue is moot. See 37 C.F.R. § 1.28(c).

#### **V. DISQUALIFICATION FROM THE WEATHER CHANNEL CASE**

The Examiner states that Mr. Scott was "rebuked" in the Weather Channel case. Applicants strongly disagree. In *Personalized Mass Media Corp. v. The Weather Channel, Inc. et al.*, Mr. Scott and the law firm of Howrey & Simon were required to withdraw as trial counsel for the plaintiff because there was an assertion that Mr. Scott may have had factual knowledge related to the matter in contest and was deemed to be a potential witness. There was no "rebuke"



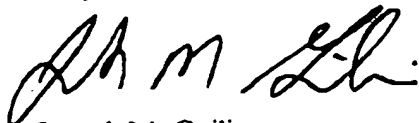
or finding of inappropriate conduct on Mr. Scott's or the firm's part. Significantly, as discussed above, this matter was settled by a grant of a license to the defendants for a substantial payment.



## VI. CONCLUSION

In conclusion, applicants respectfully submit that all information requested by the Examiner, and required by the September '98 Office Action, has been duly submitted, and that this application is therefore in condition for allowance. If there are any further issues that stand in the way of allowance, applicants respectfully request that they be presented in an Office Action on merits. Applicants further wish to inform the Examiner that the undersigned attorney is now the lead counsel representing applicants and the assignee in connection with the prosecution of this application and the related applications. The undersigned attorney requests the opportunity to meet with the Examiner to discuss the issues raised in this submission, and to facilitate the prosecution of the present application and the related applications. Reconsideration and allowance of this application are respectfully requested.

Respectfully submitted,



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